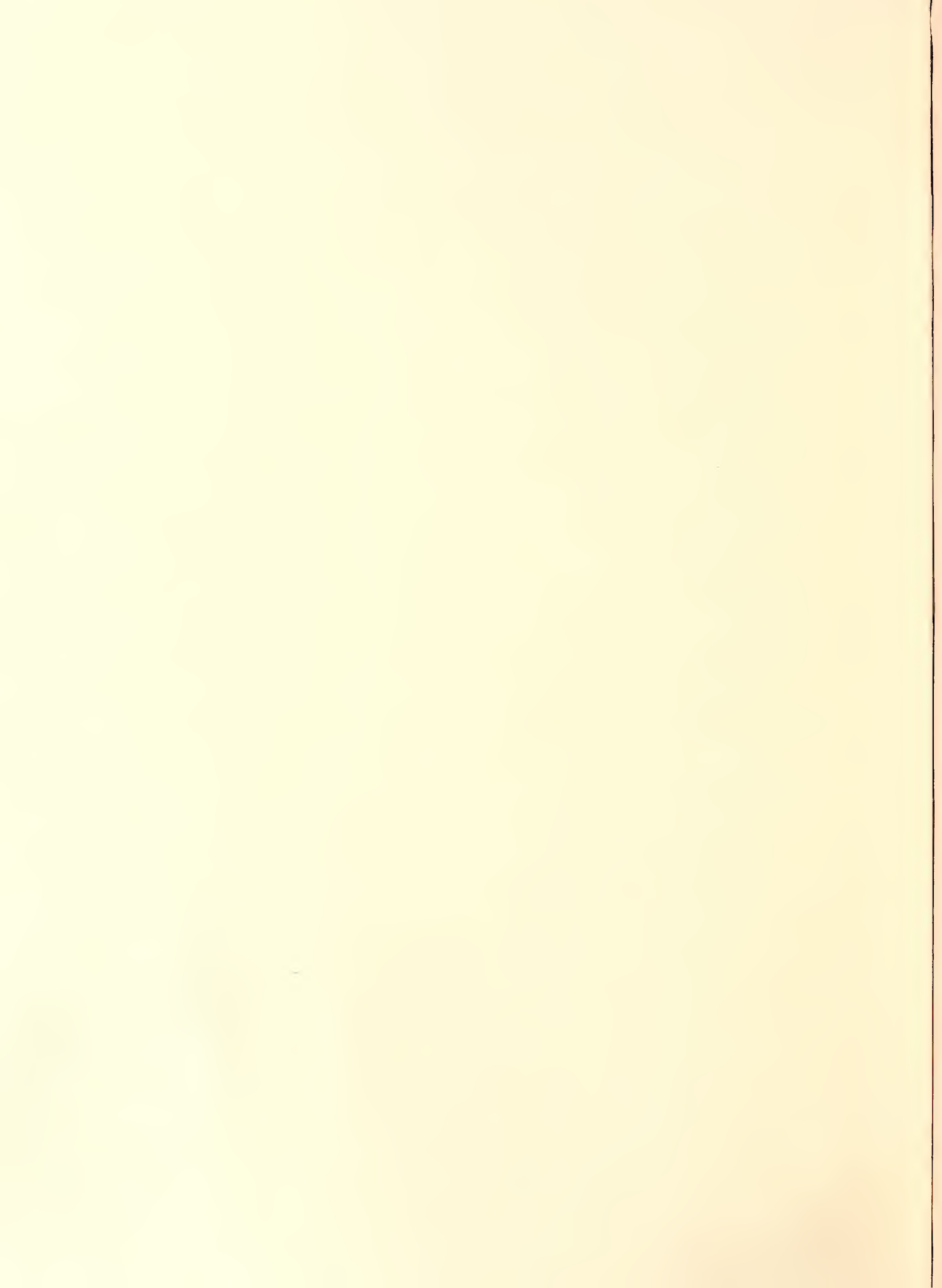


## **Historic, Archive Document**

Do not assume content reflects current scientific knowledge, policies, or practices.



A280.3449  
C39

MILK MARKET INFORMATION  
CHATTANOOGA TENNESSEE MARKETING AREA  
APRIL 1958

Volume 2

Number 9

Released Pursuant to § 1000.27 (j) and § 1000.85, USDA-AMS  
Federal Order No. 100, 3756 Ringgold Rd., Chattanooga 11, Tennessee  
J. B. McCroskey, Market Administrator

MARKET SUMMARY APRIL 1958

The Chattanooga Tennessee order MINIMUM uniform producer prices per cwt. f.o.b. Pool plants for milk testing 4.0% are: Base Milk \$4.83, Excess Milk \$2.98. The butterfat differential is 7.2 cents for each one-tenth of one percent above or below 4.0%. (See page 3)

During April 67.8% of the total producer milk was priced in Class I at \$5.37 per cwt. with a butterfat differential of 7.7 cents and 32.2% was priced in Class II at \$3.02 per cwt. with a butterfat differential of 6.6 cents. The percent of producer skim and butterfat priced in Class I was 68.2% and 57.8% respectively. Base milk was 86.1% and excess milk was 13.9% of the total producer deliveries. All excess milk and 21.3% base milk was priced in Class II and 78.7% of base milk was priced in Class I.

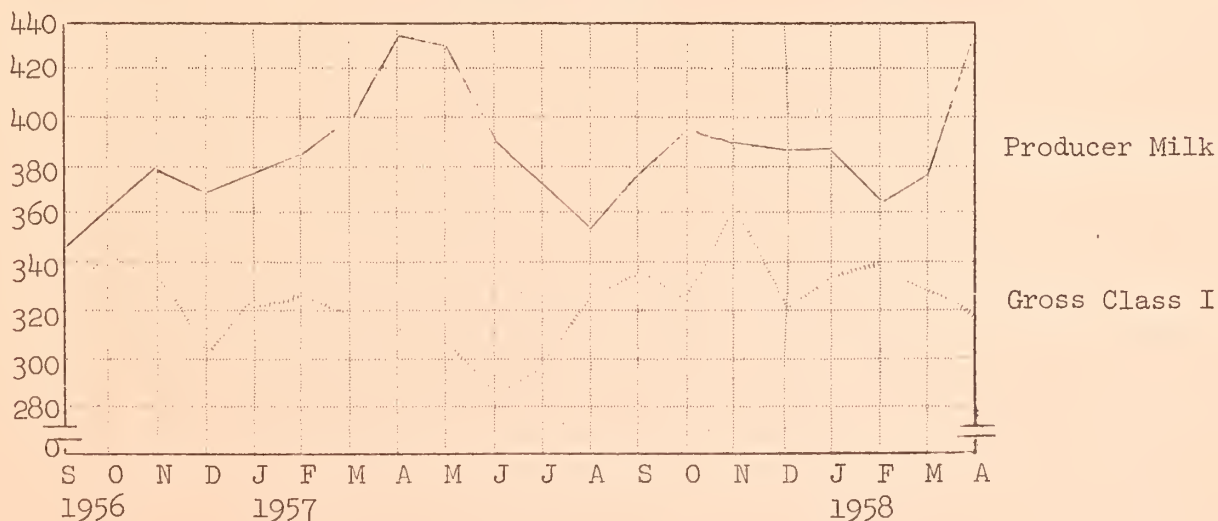
The daily average deliveries of producer milk during April increased 14.6% compared with March and decreased 1.1% compared with April 1957. The daily average use of Class I milk decreased 4.1% compared with March and increased 0.8% compared with April 1957. The daily average base deliveries was 96.0% of the established base.

NUMBER OF FARM PAYROLL ACCOUNTS

	1957					1958								
	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	
New	5	0	0	2	14	17	13	3	3	2	0	0	3	
Quit	2	4	0	3	0	12	12	4	4	8	2	4	4	
Total	797	793	793	792	806	811	812	811	810	804	802	798	797	
Cans	726	714	696	694	700	696	686	675	667	647	641	625	616	
Bk.Tank	71	79	97	98	106	115	126	136	143	157	161	173	181	

ACTIVITIES OF CHECK TESTERS APRIL 1958: Plant Scales checked 8; Plant calls, 162; Samples tested - Composite 2,173, Fresh 5,444, Finished Products 277.

DAILY AVERAGE PRODUCER RECEIPTS AS COMPARED TO GROSS CLASS I UTILIZATION  
(1000 lbs. per day)



COMPARISON OF GROSS MILK RECEIPTS AND UTILIZATION

	<u>Apr. '58</u>	<u>Mar. '58</u>	<u>Apr. '57</u>
Number of Plants (Pool and Non-Pool)	23	23	20
GROSS RECEIPTS (DAILY)			
Producer Milk - Cans	-	259,985	366,617
Producer Milk - Bulk Tank	-	116,298	69,519
Total Producer Milk Pounds	431,141	376,283	436,136
% April '58 compared with:	100.0	114.6	98.9
Other Source Milk Pounds	4,346	6,679	5,550
Other Order Milk Pounds	23,394	16,996	17,417
TOTAL RECEIPTS MILK POUNDS	458,881	399,958	459,103
% April '58 compared with:	100.0	114.7	100.0
GROSS UTILIZATION (DAILY)			
Class I Milk Pounds:			
Fluid Milk	262,916	264,908	261,185
Buttermilk	37,105	37,344	36,647
Chocolate Milk	6,260	5,948	6,803
Fluid Skim	6,622	6,073	5,232
Fluid Creams	1,923	1,907	2,176
Bulk to Non-Handlers	-0-	12,424	229
Class I Shrinkage	1,337	1,489	1,737
Inventory Reclass.	(228)	(537)	(543)
Overstated Sales	-0-	-0-	(21)
Total Class I Milk	315,935	329,556	313,445
% April '58 compared with:	100.0	95.9	100.8
Class II Milk Pounds (Used to Produce)			
Butter	1,997	2,177	2,292
Cottage Cheese	12,723	11,583	11,108
Powdered and Condensed Milk	94,336	27,673	105,158
Ice Cream	23,637	17,758	22,512
Inventory Variation	390	3,218	(2,406)
Other	9,863	7,993	6,994
Total Class II Milk	142,946	70,402	145,658
% April '58 compared with:	100.0	203.0	98.1
TOTAL UTILIZATION CL. I AND CL. II MILK LBS.	458,881	399,958	459,103
% Producer Milk of Gross Class I	136.5	114.2	139.1
% Delivered Base of Gross Class I	117.5	107.1	112.3
% Delivered Base priced in Class I	78.7	88.0	83.7
% Producer Milk Priced in Class I	67.8	82.6	67.5

MAY 1958 CLASS I MINIMUM PRICE COMPUTATION INCLUDING SUPPLY-DEMAND ADJUSTMENT

	<u>May '58</u>	<u>Apr. '58</u>	<u>May '57</u>
Basic Formula (See page 4)	\$3.37	\$3.52	\$3.53
Plus (\$ 1000.51 (a)(1))	1.75	1.75	1.75
Supply-Demand Adjustment	-0.04	.10	.00
Class I Price, 4.0% Butterfat	\$5.08	\$5.37	\$5.28

Per \$ 1000.51 (a)

Supply-Demand Comparison: 1st and 2nd preceding months: March and April			
Supply: Lbs. Producer Milk (Mar. 11,664,776 and Apr. 12,934,242)			24,599,018
Demand: Lbs. Net Class I Milk (Mar. 9,916,791 and Apr. 9,035,806)			18,952,597
Utilization Percentage: Producer milk divided by Class I			130
Standard Utilization Percentage: Range 124-128			128
Net Deviation Percentage: Utiliz. % 130 minus Standard Utiliz. % 128 plus			2
Supply-Demand Adjustment: 2 cents x 2 percentage points			minus \$0.04

Since the supply in relation to the demand is more than the desired standard, the price is decreased 4 cents per hundredweight (2 cents x 2 percentage points).

SUMMARY OF COMPUTATION OF UNIFORM PRODUCER PRICES FOR APRIL 1958  
Based on 23 plant reports prior to audit

	Class %	Milk Pounds	Butterfat Test %	Cwt. Price @ Test	Value
Gross Class I		9,478,074	3.618		
Less Other Source		712,620	3.876		
Producer Milk Class I	67.8	8,765,454	3.596882	\$5.059599	\$443,496.82
Gross Class II		4,288,372	5.375		
Less Other Source		119,584	0.011		
Producer Milk Class II	32.2	4,168,788	5.529377	4.029389	167,976.69
TOTAL PROD. (Cl. I + Cl. II)	100.0	12,934,242	4.219737		611,473.51
Less Fractional Adjustment					.04
Add Compensatory Payment Value					329.46
Add Overage Value					154.03
Add Inventory Reclass. Value					17.92
Add $\frac{1}{2}$ Prod.-Settlement Fund Reserve					5,408.87
TOTAL VALUE AT TEST		12,934,242	4.219737		617,383.75
Less Test Over 4% @ 7.2¢ per point		12,934,242	.219737	0.158211	20,463.39
TOTAL PRODUCER MILK VALUE AT 4% TEST		12,934,242	4.0		596,920.36
		Pounds	Price 4%	Amount	
Excess Producer Milk - Class I		-	-	-	
Excess Producer Milk - Class II		1,793,900	\$3.02	\$54,175.78	
Total Excess Producer Milk		1,793,900	3.02	54,175.78	
Less Prod.-Settlement Fund Res. @ 4¢		1,793,900	.04		717.56
UNIFORM EXCESS PRICE f.o.b. PLANT - 4%		1,793,900	2.98		53,458.22
Value of Base Milk (Total less excess)		11,140,342	4.871884		542,744.58
Less Prod.-Settlement Fund Reserve		11,140,342	.041884		4,666.02
UNIFORM BASE PRICE f.o.b. PLANT - 4%		11,140,342	4.83		538,078.56

APRIL 1958 MINIMUM PRODUCER PRICES CWT. f.o.b. CHATTANOOGA POOL PLANT (0-65 Mile Zone)  
BUTTERFAT DIFFERENTIAL 7.2¢ PER POINT

TEST %	PRICE		TEST %	PRICE		TEST %	PRICE	
	BASE	EXCESS		BASE	EXCESS		BASE	EXCESS
3.0%	\$4.11	\$2.26	4.0%	\$4.83	\$2.98	5.0%	\$5.55	\$3.70
3.05	4.146	2.296	4.05	4.866	3.016	5.05	5.586	3.736
3.1	4.182	2.332	4.1	4.902	3.052	5.1	5.622	3.772
3.15	4.218	2.368	4.15	4.938	3.088	5.15	5.658	3.808
3.2	4.254	2.404	4.2	4.974	3.124	5.2	5.694	3.844
3.25	4.29	2.44	4.25	5.01	3.16	5.25	5.73	3.88
3.3	4.326	2.476	4.3	5.046	3.196	5.3	5.766	3.916
3.35	4.362	2.512	4.35	5.082	3.232	5.35	5.802	3.952
3.4	4.398	2.548	4.4	5.118	3.268	5.4	5.838	3.988
3.45	4.434	2.584	4.45	5.154	3.304	5.45	5.874	4.024
3.5	4.47	2.62	4.5	5.19	3.34	5.5	5.91	4.06
3.55	4.506	2.656	4.55	5.226	3.376	5.55	5.946	4.096
3.6	4.542	2.692	4.6	5.262	3.412	5.6	5.982	4.132
3.65	4.578	2.728	4.65	5.298	3.448	5.65	6.018	4.168
3.7	4.614	2.764	4.7	5.334	3.484	5.7	6.054	4.204
3.75	4.65	2.80	4.75	5.37	3.52	5.75	6.09	4.24
3.8	4.686	2.836	4.8	5.406	3.556	5.8	6.126	4.276
3.85	4.722	2.872	4.85	5.442	3.592	5.85	6.162	4.312
3.9	4.758	2.908	4.9	5.478	3.628	5.9	6.198	4.348
3.95	4.794	2.944	4.95	5.514	3.664	5.95	6.234	4.384



## SUMMARY OF CHATTANOOGA MILK PRICES (4 PERCENT MILK)

Month	PRODUCER UNIFORM PRICES				HANDLER CLASS PRICES			
	Per hundredweight				Class I		Class II	
	Uniform	Base	Excess	Bf.Dif.	Cwt.	Bf.Dif.	Cwt.	Bf.Dif.
Apr. '57	\$4.55 2/	\$4.90 1/	\$3.09	7.1¢	\$5.28	7.7¢	\$3.13	6.8¢
May	4.54 2/	4.88 1/	3.07	7.1	5.28	7.7	3.11	6.8
June	4.55 2/	4.82 1/	3.04	7.1	5.28	7.7	3.08	6.8
July	4.69 2/	4.96 1/	3.00	7.1	5.28	7.7	3.04	6.8
Aug.	4.94 1/	-	-	7.2	5.28	7.7	3.06	6.9
Sept.	4.98 1/	-	-	7.3	5.29 1/	7.7	3.61	7.0
Oct.	4.92 1/	-	-	7.2	5.36 1/	7.9	3.55	6.9
Nov.	5.06 1/	-	-	7.1	5.30 1/	7.8	3.53	6.8
Dec.	4.87 1/	-	-	7.2	5.28 1/	7.7	3.54	6.9
Jan. '58	4.94 1/	-	-	7.1	5.29 1/	7.8	3.56	6.8
Feb.	5.02 1/	-	-	7.1	5.31 1/	7.7	3.16	6.8
Mar.	4.90 2/	5.02 1/	3.06	7.4	5.32	7.7	3.10	6.8
Apr.	4.57 2/	4.83 1/	2.98	7.2	5.37	7.7	3.02	6.6
May	-	-	-	-	5.08	7.5	-	-

## SUMMARY OF PRICES USED IN DETERMINING CLASS PRICES

Month	AVERAGE QUOTATIONS				ALTERNATIVE FORMULAS (\$-cwt-4%)				Highest or Basic Formula \$-cwt-4%
	Cond. Mid-West	Chi.92 <sup>o</sup> Butter	Chi.Area Powders	Wisc. Cheese	Cond.	Butter	Butter	4 Tenn. Milk Mfg.	
	\$-cwt-3.5%	¢ lb.	¢ lb.	¢ lb.	Mid-West	Cheese	Powder	Milk	
Apr. '57	3.098	59.375	14.285	33.218	3.45	3.24	3.53	3.13	3.53
May	3.067	59.375	14.265	33.208	3.42	3.24	3.53	3.11	3.53
June	3.058	59.375	14.305	33.208	3.41	3.24	3.53	3.08	3.53
July	3.042	59.375	14.155	33.208	3.40	3.24	3.53	3.04	3.53
Aug.	3.062	59.597	14.275	33.208	3.42	3.25	3.54	3.06	3.54
Sept.	3.096	61.100	14.355	33.250	3.46	3.32	3.61	3.11	3.61
Oct.	3.135	59.815	14.410	33.250	3.50	3.26	3.55	3.14	3.55
Nov.	3.150	59.375	14.450	33.250	3.51	3.24	3.53	3.19	3.53
Dec.	3.146	59.685	14.475	33.250	3.51	3.25	3.54	3.21	3.54
Jan. '58	3.133	59.375	14.535	33.250	3.49	3.24	3.56	3.19	3.56
Feb.	3.110	59.375	14.460	33.250	3.47	3.24	3.53	3.16	3.53
Mar.	3.082	59.308	14.360	32.812	3.45	3.23	3.52	3.10	3.52
April	2.956	57.750	13.405	31.057	3.32	3.13	3.37	3.02	3.37

## SUMMARY OF RECEIPTS AND USE (DAILY AVERAGE)

	GROSS POUNDS MILK 3/					Number		Deliveries Per			Prod.
	Gross	Prod.	Prod.	Base	Gross	of		Farm -- Pounds			Milk
Month	Cl. I	Cl. I	Repts.	Repts.	Repts.	Hdlr.Prod.		Prod.	Base	Exc.	Test %
Apr. '57	313,445	294,559	436,136	351,967	459,103	20	797	547	442	105	4.24
May	304,537	285,723	429,661	349,026	453,513	20	793	542	440	102	4.22
June	285,439	267,528	392,424	334,437	415,157	20	793	495	422	73	4.23
July	297,226	279,211	373,547	322,809	396,217	21	792	472	408	64	4.19
Aug.	323,309	304,631	355,094	-	379,066	21	806	441	-	-	4.19
Sept.	335,146	316,740	376,370	-	401,147	21	811	464	-	-	4.29
Oct.	322,887	304,432	395,314	-	417,532	21	812	487	-	-	4.49
Nov.	361,772	344,415	389,501	-	411,005	21	811	480	-	-	4.49
Dec.	319,015	301,282	386,242	-	408,374	22	810	477	-	-	4.50
Jan. '58	334,105	316,521	386,539	-	407,478	22	804	480	-	-	4.48
Feb.	337,688	319,166	363,397	-	385,591	22	802	453	-	-	4.46
Mar.	329,556	310,766	376,283	353,017	399,958	23	798	472	443	29	4.30
Apr.	315,935	292,181	431,141	371,344	458,881	23	797	541	466	75	4.22

1/ Excludes Premium

2/ For statistics only

3/ Other Source is Gross minus Producer; Class II is receipts minus Class I; Excess Receipts is Producer minus Base